GEHLHAR DENOUNCED BY CREAMERY GROUP

Per Cent of Industry Said to Favor Agreement.

DRAFT CHARGE RESENTED

State-Wide Meeting in Salem Goes on Record in Denying Oregon Official's Assertions.

SALEM, Or., Feb. 5.-(Special.)-Condemnation of Max Gehlhar, director of agriculture, was expressed at a meeting of the Oregon Creamery Manufacturers' association here today in regard to his refusal to approve in a manner satisfactory to the creamerymen the proposed butter marketing agreement submitted to him under the state agricultural adjustment act, and his recent statement to the press that the agreement was an attempt by private interests to put over a quarter-million-dollar graft.

Members of the creamery industry at a state meeting from all parts of the state rigorously denied that the agreement was made to benefit any particular group and said that it represented the wishes of more than 80 per cent of the butter industry and was supported by producers, co-operative creameries and private operators.

Hearing on the proposed agreement was held in Salem January 18.

Proposed Change Opposed.

The butter people object to the director's insistence that minimum and provisions in the agreement be broken and a cost of distribution minimum be substituted," a statement issued by the association read. "This would place the great majority of the industry at the mercy of one or two creameries having unusually low costs because of favorable locations and other advantages not available to competitive operators, and would permit each manufacturer and distributor to set his own minimum instead of stabilizing prices at a level which would result in reasonable returns to the operator of average efficiency and to his producers."

The charge was made that Gehlhar proposed to remove from the agreement the provisions which would be of most benefit to producers, as well as to the manufacturers and distributors.

Charges Are Resented.

Speakers at the meeting declared that men of high standing in the industry deeply resented the extreme charges released to the press by the director of agriculture. They alleged that the director was attempting to cover his action on the code by hiding behind the skirts of producers, declaring that a large number of producers appeared at the hearing while thousands were represented by others. All of these testified in favor of the agreement as originally submitted, the statement continued.

Gehlhar's statement that the butter agreement was rejected by the federal government was declared to be false. It was asserted that marketing agreements submitted to Henry A. Wallace, secretary of agriculture, under the national AAA had been deferred until a national production control program was perfected, but that the national administration was in sympathy with adoption of such agreements by state groups under state laws.

A similar program was said to be in operation in Utah, and a butter marketing agreement on the road to approval in Washington.

The association also charged Gehlhar with deliberate misrepresentation in declaring that only private creamery interests were sponsoring the agreement. "Co-operative, producer-owned creameries in all parts of the state have vigorously supported this agreement," members of the association said.

MAYOR SPIKES RUMORS

Carson Not to Run for Congress or Governorship.

Mayor Carson will not be a candidate either for governor or for representative in congress, he said Tuesday in connection with the announcement of General Charles H. Martin that he will enter the lists for governor at the May primaries.

The mayor explained that he does not like the Washington, D. C., climate, and is not sure he can get enough votes for representative anyway. He also said "I shall not be a candidate in opposition to my friend General Martin for governor."

Commissioner Bennett, who is known to be flirting with the idea of running for congress or for governor, yesterday said he has "nothing to say."

Safe Resists Burglars.

Yeggs failed in their efforts to crack the safe in the office of the Pacific Finance company, 840 West Burnside street, Sunday night, according to a report to police yesterday by William Bell, 2200 Southeast Fifty-fifth avenue, manager. The burglars succeeded in removing only one bolt from the door of the safe, police said.

Opera to Be Presented.

SALEM, Or., Feb. 5.-(Special.)-"H. M. S. Pinafore," comic opera by Gilbert and Sullivan, will be presented at the Salem high school Friday night, February 9. Two choruses totaling 70 voices will participate in the performance. Students who will be taking leading parts in rehearsals are Davis Hoss, John Ritchie, Delbert Anderson, Wesley Goodrich, Alan McCallister, Robert Hug, Billy Utley, Franklin Houser, Mae Tucker, Ruth Maerz, Muriel Brown, Audrey La Duke, Ailene Moored and Evelyn Beckner. Accompanists are Maxine Ross and Doris Schunke. Miss Lena Belle Tartar is in charge of direction.

—Associated Press photo.

STRUCK BY SENATOR LONG

Ray Moulden, 120-pound Washington newspaper man, who disclosed that he recently was hit on the shoulder when he tried to get an interview from Senator Huey P. Long of Louisiana. Moulden said the cane used by Senator Long was loaded, but that he did not suffer serious injuries.

MISSIONARY TO SPEAK

Dr. W. A. Petzoldt to Review Progress Made by Indians.

Dr. W. A. Petzoldt, outstanding Baptist home missionary, who has served since 1903 among the Crow Indians in Montana, during the next few weeks will give Portlanders, and those in other cities of the state, a glimpse of pioneer days in the mission field and a view of the progress which Indians have made since those days. He will address the Portland ministerial association Monday, February 12, at 10:30 A. M. Baptist churches in northeastern Oregon will meet at Pendleton this afternoon and night for a missionary rally to hear Dr. Petzoldt, it is announced by Rev. F. W. Starring, executive secretary of the Oregon Baptist state convention. Rev. Mr. Starring will attend this mid-year rally of the Umatilla association, also.

Dr. W. A. Petzoldt.

Dr. Petzoldt will speak tomorrow at The Dalles, Thursday at Hood River and Friday at Independence. He will make his first appearance in Portland Sunday at 11 A. M. in Grace Baptist church. Additional details of his schedule, which will keep him in Oregon until February 18, will be announced by Rev. Mr. Starring.

Project Study Desired.

SALEM, Or., Feb. 5.-(Special.)-The state reclamation commission, at a meeting here today, decided to request from the federal government six months' additional time in which to conduct studies of the Walker basin irrigation project, located in northern Klamath and southern Deschutes counties.

Robbers Beat Victim.

George Wallace, who lives on Sauvies island, was beaten and robbed by two men he met at a hotel at 16 Southwest Third avenue, police were informed last night. The robbers got $45, Wallace said. He was treated at the police emergency hospital for head lacerations and bruises.

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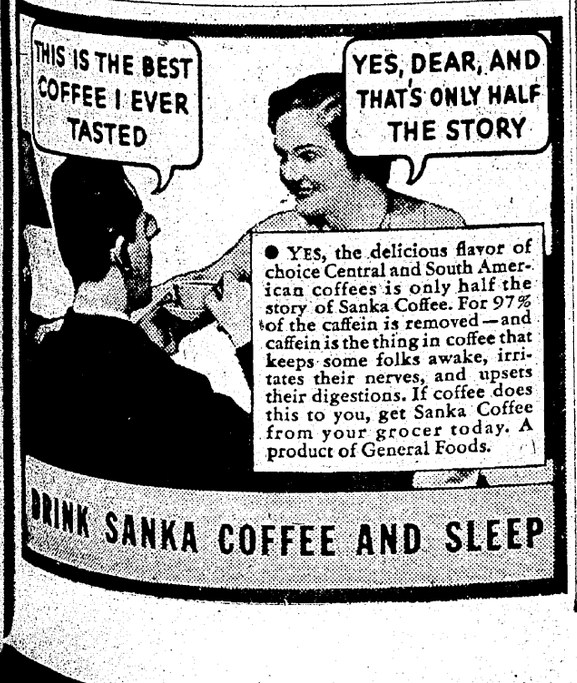

TRUCE PROPOSED IN BUTTER FIGHT

Charges, Counter-Charges Mark Code Discussion.

OTHER INDUSTRIES CALM

Better Deal for Farmer and Consuming Public Found in Milk and Cream Situation.

Continued From First Page.

industries have been the cause of considerable confusion both to the producers and manufacturers and to the consuming public.

To make the picture clear, several persons reached in a survey here yesterday pointed out that there are two divisions in the dairy business—those producers and manufacturers who furnish the state's butter and ice cream supply, and those who are responsible for the fluid milk and cream supply.

Code Under Consideration.

Butter men are still working on their code, the ice cream industry is operating under an agreement approved by the state director of agriculture, and is virtually governing its own affairs under that code, and fluid milk and cream men are subject to direct supervision of the state through a milk-control board. Mr. Gehlhar has no part in milk control, having placed J. D. Mickle of his department as executive secretary of the board.

The milk-control board, which in the words of its chairman, E. G. Harlan, tackled a "chaotic" condition when it took office, so far has temporarily set the limits of six milksheds in the state—Portland, Klamath Falls, Medford, Eugene, Rainier and St. Helens.

Here the milkshed consists of all of Multnomah county, the sales area includes Portland and the territory lying within three miles of the city limits, but excluding the state of Washington, and minimum prices for milk and cream have been set.

Dealings between farmer and middlemen are under strict supervision at the hands of the milk control board, which was vested with considerable power by the law with which the last special session of the legislature declared milk a public utility.

Stabilized Prices Sought.

"We are busy trying to stabilize prices all over the state," Chairman Harlan said yesterday in speaking for the milk control board's other members, O. M. Plummer, Portland, and Burge Mason, Klamath Falls.

"Calls have come from every section for us to come and help them fix prices and designate milk sheds. We gave three weeks of our time to Portland, and now we feel that our obligation is to the rest of the state."

The ice cream code, while dated February 1, is expected to become effective throughout the state by February 10. Authorities on the subject state that while farmers, or producers, will benefit in many cases by as much as 100 per cent in the new price schedule for their butterfat, the consumer will not feel the change unless he is a buyer of brands below standard grade.

Complaints on Decline.

Institution of milk control last month in Portland with attendant lifting of prices of fluid dairy products in certain instances, resulted in widespread dissension among consumers and producers alike, according to Paul C. Adams, executive secretary of the Oregon Dairy council, but, he said, a survey he completed yesterday indicated that there was "less than a tenth of 1 per cent of complaints since the new order has been given a trial."

The farmers supplying the market, the wholesalers and the retailers are satisfield with the success of the undertaking, and complaints from consumers are negligible, Mr. Adams said.

"Milk volume this past week showed an increase," he declared, "while cream sales were either holding their own or increasing. I realize there are always some people who like to create a disturbance, but in my opinion the general buying public now is less conscious of price since stabilization has become effective.

Price Slashes at End.

"They know just exactly what they are going to pay and they don't deprive their children, for instance, of milk on Friday because some retailer is going to slice off a penny or so on a Saturday.

"The CWA projects have given buyers more dimes, apparently, as there is undoubtedly more money in circulation—and the milk and cream sales are not suffering, if my visits with distributors and others in the business may be used as a guide. Even the school children are buying more milk, as evidenced by reports of increased school sales this past week.

"I can't account for that exactly, but this is certain, the public must appreciate that there is no other commodity of the same value that can be bought for a dime."

Certain chain store organizations which had been selling milk and cream as "loss leaders" have felt a reaction, Mr. Adams said.

Chain store groups contend that more can be paid the farmer without necessarily increasing the price of milk to the consumer, it was pointed out yesterday.

Jay Bowerman, attorney in Oregon for the Safeway stores, one of the largest chain organization, took this view in a statement.

Little Effect Noted.

"The ruling of the milk board has had little effect on the volume and no effect on the quality of milk served by Safeway stores," he said. "In line with its universal requirements, our chain demands and handles only the highest quality dairy products and has paid above the going market price for the fluid milk it has distributed in Portland.

"The arbitrary rise in retail price demanded by the board may have temporarily reduced the consumption of fluid milk. This naturally would be expected, for in truth there was no necessity for increasing the retail cash and carry price of milk. The price fixed for the farmer, $1.95 per hundred pounds delivered at Portland, can be paid and the milk still sold at the former prices.

"The dairymen who produce the milk distributed by our chain during the first half of January, 1934, received the full $1.95 per hundred and without any deduction for so-called surplus. Through the newspapers we learn that some of the other avenues of supply seem to be burdened with surplus of fluid milk to such an extent that the milk board has announced new regulations in that regard. This would naturally lead to the conclusion that some of the other avenues of distribution may have suffered a loss of business.

Market Flooding Avoided.

"Any order from the milk board which would require a pooling of surplus milk naturally would be of special interest to the dairymen who supply milk for our customers, as there has never been any burdensome surplus of this milk with our stores. We have always avoided the policy which would result in flooding the Portland market with an unnecessary supply of milk and thereby create a surplus which would tend to break the market."

Using the cash-and-carry minimum price of 9 cents a quart for milk as a yardstick, Mr. Adams said his survey showed that only in exceptionally few cases are the retailers selling above the minimum. "The credit delivery minimum of 10 cents a quart we found generally to be charged," he said.

An interesting comparison of milk prices was offered by Mr. Adams, who stated that Portland's top was during 1918, when quarts retailed at 16 cents. The following year, 1919, the general price was 15 cents.

Cream prices then were proportionately high.

CREWS WORK ON SLIDE

Road Reconstructed to Reach Scene of Barrier.

Reconstruction of a road for about a quarter of a mile has been necessary to bring about the removal of a slide of 5000 cubic yards of earth on Macleay boulevard, L. G. Apperson, city engineer, said yesterday.

The slide came down the hills onto the Kings Heights car track about two months ago and has not been removed because the car line has been blocked farther down the hill during the same period. About 50 men are being used on the project, which will take about three weeks.

Mr. Apperson said the city, with CWA funds, is also pushing the work on the reconstruction of the East Alder street sewer.

Bee Hive Destroyed.

Someone destroyed his hive of bees at Northwest Twenty-third avenue and Raleigh street, J. L. Barton, 1603 Northwest Twenty-third avenue, reported to police yesterday.

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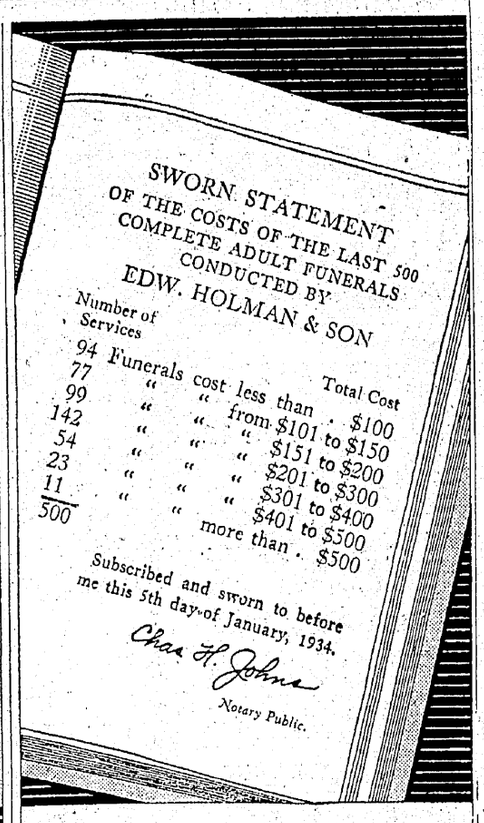

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LAW TAKES HAND IN CHURCH FIGHT

Warrants Out for Eight After Battle Royal.

PASTOR FACES CHARGE

Varied Stories Told of Melee Following Prayer Meetings; Row Seethes for Months.

Continued From First Page.

Henry Walker and William Burback as his assailants.

Katherine Weber, 3606 Northeast Rodney avenue, who, it was said, was kayoed by an umbrella in the hands of an opposing woman, named Katherine Schultz as her assailant.

Elizabeth Henkle, 3946 Northeast Mallory avenue, displayed a mark near her eye, which she told Mr. Ralston was caused by a blow on her glasses during the scuffle. She charged that Elizabeth Krieger assaulted and beat her.

Louis Helzer, 4028 Northeast Rodney avenue, put his name to a complaint charging Phillip Lehl, Phillip Lehl Sr. and John Trout Jr. with beating him.

Conrad Krieger, 1508 Northeast Beech street, said John Trout Jr., Phillip Lehl and Henry Walker were his assailants.

Deputy Ralston got out the complaints and Mr. Hoesly took them to Judge Olson, who duly issued the warrants. He fixed cash bail at $25, but later agreed that the defendants could appear tomorrow with their attorney, who will be busy today arguing the Knox liquor law controversy before the state supreme court.

Seething Storm Breaks.

Sunday's fight started, according to the pro-pastor group members, when an ex-member, recently excommunicated for his part in the fight to oust Rev. Mr. Wagner, was nominated to lead the afternoon prayer meeting. Members backing the pastor objected to the non-member's presiding and restrained him from taking the platform. Fists began to fly and soon the auditorium was a giant free-for-all. The pro-pastorites assert that someone on the opposing side called in a gang of younger men who were outside to help them beat up on those loyal to Rev. Mr. Wagner.

At the conclusion of the night meeting the fight broke out again.

Police have been called to the church on several occasions to preserve order, according to affidavits filed, while Judge Lusk was considering the suit brought by a group of eight church council members to oust the pastor, and Rev. Mr. Wagner had a bodyguard to protect him from his enemies within the church, it was asserted.

Slander Suit Pending.

The church fight came into the limelight last fall when the church council members filed the suit in circuit court seeking to restrain Rev. Mr. Wagner from continuing as pastor. Judge Lusk denied an application for a temporary restraining order after reading affidavits and church law, holding that the church council had no authority to accept the pastor's resignation. Under the rules of the church, he said, only the congregation had that authority, and records of the congregation failed to show that any conclusive action had been taken by the members.

A $50,000 slander suit is pending in circuit court against half a dozen of the pastor's proponents. One of his opponents filed it after he had been excommunicated.

A month ago, it was revealed yesterday, Deputy District Attorney Ralston called five of the pastor's opponents to his office to warn them against causing a disturbance in the church. Four of the five had been excommunicated, but they told Deputy Ralston that the excommunication was not legal under the laws of the church and they considered themselves still to be members.

Knox Bill Hearing Today.

SALEM, Or., Feb. 5.-(Special.)-Arguments of attorneys in the suit brought by the city of Klamath Falls attacking the constitutionality of the Knox liquor control law, enacted at the last special legislative session, will be heard in the state supreme court here tomorrow.

Hawaii Governor Confirmed.

WASHINGTON, D. C., Feb. 5.-(AP)-Joseph B. Poindexter of Hawaii was confirmed by the senate today as governor of Hawaii.

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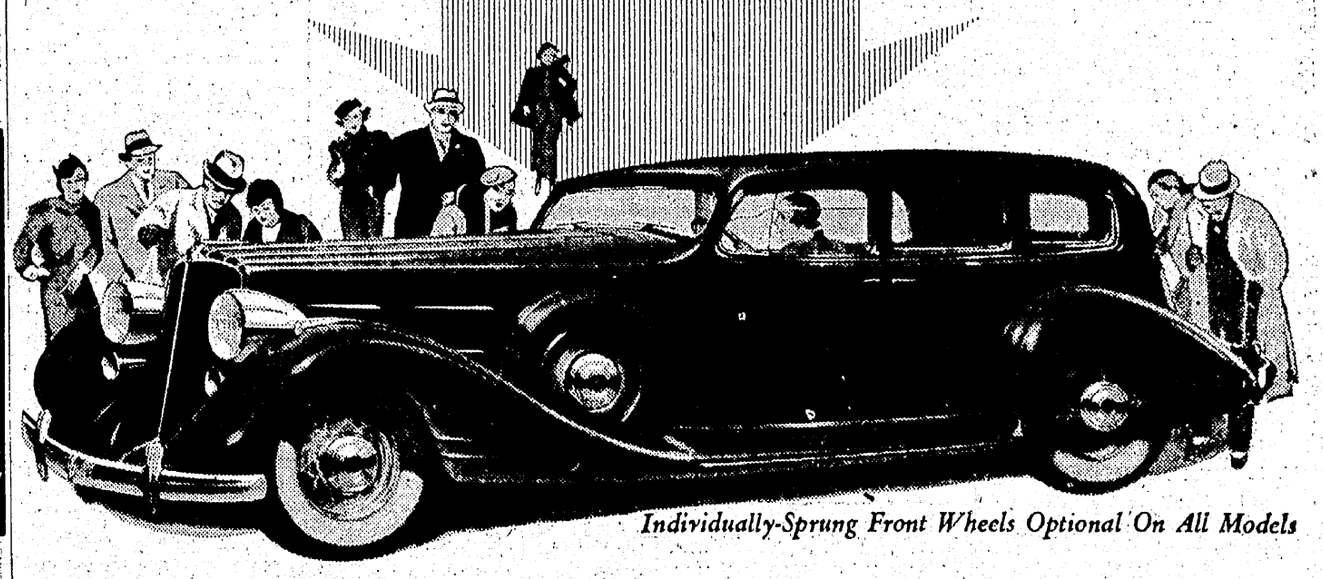

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